

FOR THE EXCLUSIVE USE OF SGALIKEEVA@BHFS.COM

From the Denver Business Journal:

<https://www.bizjournals.com/denver/news/2019/08/12/brownstein-hyatt-farber-schreck-cannabis-hemp.html>

## Denver's second-largest law firm launches cannabis and hemp group

Aug 12, 2019, 7:54am MDT

Denver-based law firm Brownstein Hyatt Farber Schreck has formed a cannabis and industrial hemp industry group that will be co-chaired by [Melissa Kuipers Blake](#), a shareholder in the firm's government relations Department, and [Amy Steinfeld](#), a shareholder in the natural resources department.

"It just became very clear that there was a need for expertise in this area," Kuipers Blake said. "There's a difference between lawyers who like cannabis and lawyers who know cannabis law."

The group consists of 18 attorneys, two policy directors, a land-use project manager and a land-use planner. Brownstein Hyatt Farber Schreck is the second-largest law firm in the Denver metro as measured by number of employees, according to the [Denver Business Journal](#) research.

"Across the board, our attorneys were raising their hand to join," Kuipers Blake said. "There's a lot of energy and excitement around this."

Kuipers Blake is based out of the Denver office and Steinfeld is based in California.

"Both states are leaders in the hemp and cannabis industries," Kuipers Blake said.

Kuipers Blake said Brownstein Hyatt Farber Schreck's real estate clients were increasingly calling the firm's attorneys with questions about cannabis and hemp businesses.

"Land owners are being approached by cannabis and hemp businesses to use or buy their land," Kuipers Blake said. "They would call us and say, 'What do we do?'"

Additionally, Brownstein Hyatt Farber Schreck's lobbying and public affairs arm has seen increasing interest in their services from cannabis and hemp businesses and associations

Just over two years ago, Kuipers Blake said she began representing the New Federalism Fund, which became the Cannabis Trade Federation. The national organization of cannabis company owners includes Colorado companies such as LivWell and Native Roots.

Much of Brownstein Hyatt Farber Schreck's work for the Cannabis Trade Federation has been on section 280E of the Internal Revenue Code, Kuipers Blake said.

The section forbids businesses associated with federally illegal drugs such as cannabis from deducting their business expenses from their gross income.

"Cannabis companies have to pay in essence an 80% federal tax rate," Kuipers Blake said.

She added that she has also worked to advance the ability of financial institutions to bank cannabis companies. Because cannabis is still federally illegal, financial institutions that bank cannabis businesses could be accused of facilitating money laundering for drugs, though [some Colorado banks](#) do take the risk and work with cannabis companies.



PROVIDED BY BROWNSTEIN HYATT FARBER SCHRECK

Melissa Blake Kuipers is the co-chair of Brownstein Hyatt Farber Schreck's new cannabis and hemp practice.

Additionally, the law firm's farming clients, who produce everything from watermelons to tomatoes, have expressed interest about going into the industry, Kuipers Blake said.

"They need day-to-day advice on industries that are changing daily," Kuipers Blake said.

**Monica Vendituoli**  
Reporter  
*Denver Business Journal*

